

Montana State Small Business Credit Initiative (MT SSBCI) Loan Application

(Electronic Form)

(Shaded Area For CDFI/RLF Use Only)

APPLICATION FOR NEW LOAN

Send Application and Exhibits To:

Jackie Williams, Executive Assistant

Governor's Office of Economic Development

1301 E 6th Ave, Room 234 or P.O. Box 200801

Helena, MT 59620

Submitting CDFI/RLF name and address

Date Received:

By:

Loan #:

Applications To Be Submitted By Lenders Only

PART I – LENDER SECTION

LENDER AND BORROWER NAME

Lender→		Legal Business Name→	
Lender's EIN→		Borrower Name→	
Lender Representative→			
MBOI Approved Lender			
Commercial Servicing			
Agreement Date→		Business City/County→	

SECTION A: LOAN TYPE INFORMATION

* One	Type of Loan Applied For
<input type="checkbox"/>	Business Participation Loan - Complete All Sections
<input type="checkbox"/>	Business Participation Loan With SBA 504 Second - Complete All Sections

SECTION B: LENDER PROPOSAL

Lender And CDFI/RLF Share		Proposed Interest Rates To Borrower		Lender Interest Rate If Variable	
Lender→		Lender's Interest Rate→		Lender Variable Rate Base→	
CDFI/RLF→		CDFI/RLF Rate→		Variable Rate Spread→	
Total→	\$ 100%	Lender Service Fee→		Lender Share Gross Rate→	
Loan to Collateral Value→		CDFI/RLF Rate with Lender Service Fee→		Adjustment Frequency→	
				Base Rate Source→	
Loan Maturity/Payments					
	Years/Months→				
	Payment Frequency→				
	Total Payment Amount→				
	Payment To CDFI/RLF→				

SECTION C: LENDER LOAN ANALYSIS

Exhibit A. Lender credit presentation must cover the following:

1. Financial Statements with balance sheet and ratio analysis - comment on trends and relevant ratios
2. Lender's analysis of borrower repayment ability (i.e. profitability)
3. Management skills of the borrower
4. Collateral offered and lien position and analysis of collateral adequacy
5. Lender's credit experience with the borrower
6. Terms, conditions, collateral, financial spreads
7. Current report on the borrower's credit history or Dun & Bradstreet's report on borrower and guarantor, if any

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SECTION D: LENDER'S PROPOSED CONDITIONS FOR NEW LOAN

*	Check On Line For Items Required		
<input type="checkbox"/>	1. First Mortgage or First Deed of Trust on→		
<input type="checkbox"/>	2. First lien of machinery, equipment, furniture/fixtures, inventory, account receivables, contractual rights now owned or hereafter acquired. To be taken by Financing Statement and Security Agreement. Lien search required.		
<input type="checkbox"/>	3. For Partnership Note must be executed by→		as individual(s) and as partner(s)
<input type="checkbox"/>	4. Hazard insurance satisfactory to bank.		
<input type="checkbox"/>	5. Life insurance assignment in the amount of→		on life of→
	Life insurance assignment in the amount of→		on life of→
<input type="checkbox"/>	6. Prior to disbursement, borrower will furnish a certificate from the County Treasurer showing that all real and personal property taxes are paid to date (if applicable).		
<input type="checkbox"/>	7. Standby/Subordination agreement executed by→		in the amount of→
	Standby/Subordination agreement executed by→		in the amount of→
<input type="checkbox"/>	8. Assignment of lease with right of reassignment and lessor's consent thereof, which lease shall be for a term of not less than→ years and shall cover the property at→		
<input type="checkbox"/>	9. Assignment of lessor's interest in lease(s) and rents		
<input type="checkbox"/>	10. Personal guarantees of→		and→
	Partnership guarantees of→		and→
	Corporate guarantees of→		and→
<input type="checkbox"/>	11. Borrower shall furnish annual, semi-annual, quarterly, or monthly financial statements satisfactory to lender and CDFI/RLF within→ days after the end of the period covered.		
<input type="checkbox"/>	12. Escrows to be established and maintained by Seller/Service for payment of taxes and insurance.		
<input type="checkbox"/>	13. Reserve account to be established and maintained by Seller/Service in the amount of→ of sales/rents/depreciation to be used for repairs/replacements		
<input type="checkbox"/>	14. Other (Please specify) →		

As a condition of CDFI/RLF participation in the proposed loan, the CDFI/RLF and MT SSBCI Loan Committee reserves the right to request changes, amendments, or additions to the lender's terms and conditions described herein.

SECTION E: LENDER SIGNATURE AND CERTIFICATION

The lender has reviewed the entire application; including portions completed by borrower, and has determined that the application is complete and accurate. Subject to the terms and conditions specified in Part I of this application, the lender will originate the loan if it is approved by the CDFI/RLF. **Further, the lender certifies that this loan has not been classified by the most recent examination report of this financial institution and that no other loans outstanding for this borrower, signatories, or guarantor have been classified. Lender also agrees that the terms, conditions and requirements of their executed Approved Lender Commercial Servicing Agreement with the Montana Board of Investments will apply to this loan.**

Lender→		Lender Rep→	
Address→		Title→	
City/State→		Phone→	
Zip Code→		E-mail→	
Authorized Signature→		Date→	

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PART II - BORROWER SECTION

SECTION F: BORROWER INFORMATION

Legal Business Name→		Business Rep→	
Borrower Name→		Title→	
Business NAICS Number (6 digits)→		Phone→	
Employer Tax I. D. #→		Address→	
Borrower zip code		City→	
Date Established→		State/ZIP→	

* Borrower is <input type="checkbox"/> 1. Individual <input type="checkbox"/> 2. Partnership <input type="checkbox"/> 3. Limited Liability Company (LLC) <input type="checkbox"/> 4. Non-Profit Corporation <input type="checkbox"/> 5. Individual dba sole proprietorship <input type="checkbox"/> 6. Limited Partnership/LLP <input type="checkbox"/> 7. Corporation - State of Incorporation→	* Loan is for <input type="checkbox"/> 1. Existing Business <input type="checkbox"/> 2. New Business <input type="checkbox"/> 3. Existing business purchase <input type="checkbox"/> 4. Landlord Properties <input type="checkbox"/> 5. Refinancing <input type="checkbox"/> 6. Other (Explain) → <input type="checkbox"/> 7. Corporation - State of Incorporation→	Date of Incorporation→
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List the names and residences of those persons with ownership interest in the business.

Name→	Title→	City/State→	% Ownership→
Name→	Title→	City/State→	% Ownership→
Name→	Title→	City/State→	% Ownership→
Name→	Title→	City/State→	% Ownership→

Generally describe business history, products, services, and current business plans: **Provide details in Exhibit G →**

SECTION G: ECONOMIC IMPACTS

Provide brief description of estimated potential economic impacts of the project. **Provide details in Exhibit A →**

Business Type→		Average Salary With Benefits→	
Project Location, City/County→		Borrower type (woman-owned, minority-owned, veteran-owned, etc.)	
Annual Gross Revenues→		Lender's Risk Rating	Pass <input type="checkbox"/>
# New FTE Jobs Created→			Watch <input type="checkbox"/>
# Existing FTE Jobs→			Substandard <input type="checkbox"/>
# Existing FTE Jobs Retained→			Doubtful <input type="checkbox"/>

If the business will process, refine, market, or in other ways promote Montana's agricultural products, describe below the manner in which the business engages in these activities.

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SECTION H: ENVIRONMENTAL IMPACTS

If existing business, is business in compliance with all Federal/State environmental and health standards→	
If governmental environmental permits are required, have the permits been obtained→	
Describe below the potential environmental impacts caused by the proposed project. If none, check here→	<input type="checkbox"/>

SECTION I: PURPOSE OF NEW LOAN AND USE OF LOAN PROCEEDS

Describe project and uses of loan proceeds. Examples of facility use would be for manufacturing, warehouse, repair shop, or retail space. If facility is to be leased, list below the name of the lessee(s) and a description of the uses of the project by all the principal lessees.

If real property, provide appropriate addresses, complete legal description; if non-mobile personal property, give legal description and location where personal property will be installed and used.

Street/City/County/State→	
Legal Description→	

Use of Loan Proceeds		Collateral Summary			
Land Acquisition→		If loan collateral consists of Land/Buildings, Accounts Receivables, or Inventory, fill in the appropriate blanks. If collateral is Machinery, Equipment, Furniture, Fixtures, or Other, fill in the appropriate blanks and provide an itemized list containing serial and identification numbers for all articles with an original value greater than \$1,000 labeled as Exhibit O .			
New Plant or Building→					
Building Expansion/Repair→					
Machinery and Equipment→					
Inventory Purchase→					
Working Capital→		Collateral Type	Market Value	Unpaid Balance	Depreciated Cost
Acquire Existing Business→		Land and Buildings→			
Existing Debt→		Machinery & Equipment→			
Other→		Furniture & Fixtures→			
Total Proceeds→		Accounts Receivables→			
Total Other Financing→		Inventory→			
Total Project Costs→		Other→			
		Total Collateral→			

List other sources of equity and debt financing accounting for the difference between loan request and total project cost.

Source→		Collateral/Security Position→		Amount→	
Source→		Collateral/Security Position→		Amount→	
Source→		Collateral/Security Position→		Amount→	
Source→		Collateral/Security Position→		Amount→	
Total Other Financing →					

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SECTION J: CURRENT BORROWER DEBT

List below all borrower installment debts, contracts, notes, and mortgages payable. ***Asterisk (*) debt to be paid by loan proceeds and reason for paying same.*** (If present balance does not agree with latest balance sheet, please explain.

To Whom Payable	Original Amount	Original Date	Present Balance	Interest Rate	Maturity Date	Monthly Payment	Collateral/Security	Current Y N	
								<input type="checkbox"/>	<input type="checkbox"/>
								<input type="checkbox"/>	<input type="checkbox"/>
								<input type="checkbox"/>	<input type="checkbox"/>
								<input type="checkbox"/>	<input type="checkbox"/>
								<input type="checkbox"/>	<input type="checkbox"/>

SECTION K: PARTICIPATION LOANS BORROWER CHECKLIST

Please submit the following information and exhibits on separate sheets. **All exhibits must be signed and dated by the appropriate borrower representative.**

1. **Exhibit B.** Furnish current (within 90 days) dated and signed personal balance sheet for each general partner and guarantor. Tax Returns may also be required to supplement this information.
2. **Exhibit C.** Does borrower, principal owners, key employees, or directors operate any closely related affiliates, subsidiaries or branches? If yes, please provide their names and relationship to the business along with the most recent balance sheet and operating statement for each. If not, check here→ ☐
3. **Exhibit D.** Has borrower or borrower's officers/owners ever been involved in bankruptcy or insolvency proceedings? If so, please provide details. If not, please check here→ ☐
4. **Exhibit E.** Is there pending or threatened litigation/administrative proceeding/investigations involving the borrower, its officers, directors, management, or guarantors, that if adversely decided would affect the borrower's/guarantors' ability to perform obligations required by this loan or to operate the business? Has borrower, officers, directors, management, or guarantors ever been convicted of a felony? If yes, provide details. If not, check here→ ☐
5. **Exhibit F.** Include Balance Sheet, Profit and Loss Statement for last 3 years and the same statements dated within 90 days of submitting application. If statements are not independent accountant-prepared review or audit statements, please include complete business tax returns for the past three years. Also include 2-year earnings projections for existing business and 3-year earnings projections for new businesses.
6. **Exhibit G.** Provide brief business history, resumes of all officers and management personnel, and a paragraph describing the expected benefits the business will receive from the loan. If the business is a partnership, also enclose a copy of the partnership agreement.
7. **Exhibit H.** Provide copies of real estate, major equipment leases, and franchise agreements in effect. If a franchise, include a copy of the FTC disclosure statement supplied by franchiser. If none, check here→ ☐
8. **Exhibit I.** Include a business plan for all start-up loan applications.
9. **Exhibit J.** List approvals of public agencies, or other conditions, which have been obtained or satisfied or which are required prior to the financing, acquisition, construction or use of the project (i.e. licenses, regulatory agency approvals, etc.) If none required, check here→ ☐
10. **Exhibit K.** If the project involves construction, provide:
 - A. Detailed construction cost estimates and specifications to include architects plans and specifications, contractor's bids or estimates, invoices, etc.;
 - B. Names and addresses of architects and contractors selected;
 - C. Date and manner in which any contracts will be awarded;
 - D. Proposed schedule for construction, completion, and occupancy;
 - E. Manner in which the construction will be managed;
 - F. If construction has been completed, check here→ ☐

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11. **Exhibit L.** If the new loan is for the purchase of real or personal property, provide:
- A. USPAP appraisal report as per the MT SSBCI Loan Policy or other valuation required by Lender and approved by the MT SSBCI Loan Committee;
 - B. Copy of the purchase agreement(s) including name(s) of seller(s);
 - C. Copies of earnest money receipt and agreement, option to purchase, contract to purchase, and invoice(s) or estimate(s) of cost for purchase of land, improvements, or tangible personal property related to the project;
 - D. Does the owner of the subject property during the previous five years have a relationship with the borrower? (Spouse, blood relative, tenant, or other business relationship). If yes, explain. If not, check here → ☐
12. **Exhibit M.** An Environmental Assessment (EA), Phase I E.A. or Environmental Questionnaire
13. The CDFI/RLF or MT SSBCI Loan Committee may request additional information to assist in the evaluation of the loan application.

SECTION M: BORROWER CERTIFICATIONS

1. Borrower agrees to comply with Section 4, Article II of the Montana Constitution that prohibits discrimination based on race, color, sex, culture, social origin or condition or political or religious ideas.
2. If loan is approved, the State of Montana may use project photographs in its Annual Report or other publications.
3. If loan is approved, borrower grants the CDFI/RLF and the State of Montana the right to inspect the project funded by the loan.
4. All information in this application and exhibits is true and complete to the best of borrower's knowledge and is submitted to obtain the CDFI/RLF participation in a loan from the Lender to borrower. Borrower certifies that the loan proceeds shall be used solely for the purposes stated herein.
5. Borrower agrees to pay for or reimburse CDFI/RLF for the cost of any surveys, title or mortgage examinations, appraisals etc., performed by non-State personnel whether or not this loan is actually disbursed provided borrower has given consent.
6. The borrower agrees that any contracts to construct the project will require all contractors to give preference to the employment of bona fide Montana residents as defined in 18-2-401, MCA, in the performance of the work on the project if their qualifications are substantially equal to those of non-residents. Substantially equal qualifications means the qualifications of two or more persons among whom the employer cannot make a reasonable determination that the qualifications held by one person are significantly better suited for the position than the qualifications held by the other person(s).

If borrower is a sole-proprietor or general partner, sign below:

Party One	Date	Party Two	Date
If borrower is a corporation, sign below:			
Corporate Name	By	Title	Attested By
			Date